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**ALLEN PARISH RECREATION DISTRICT NO. 5 OF OBERLIN**  
**Oberlin, Louisiana**

**Financial Report**  
**For the Year Ended December 31, 2004**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-13-05

**Royce T. Scimemi, CPA, APAC**  
Oberlin, LA 70655

**Allen Parish Recreation District No. 5 of Oberlin  
Oberlin, Louisiana**

**Financial Report for Year Ended December 31, 2004**

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Society of Louisiana  
Certified Public Accountants

**ACCOUNTANT'S COMPILATION REPORT**

Board of Commissioners  
Allen Parish Recreation District No. 5 of Oberlin  
Oberlin, Louisiana

June 23, 2005

I have compiled the accompanying basic financial statements of the Allen Parish Recreation District No. 5 of Oberlin (District), a component unit of the Allen Parish Police Jury, as of December 31, 2004, and for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to discontinue implementation of and not remain compliant with the financial reporting requirements of GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. The effects of this departure from accounting principles generally accepted in the United States of America have not been determined.

The general fund budgetary comparison schedule included as required supplementary information on page 8 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary procedures. However, I have not audited or reviewed that supplementary information and, accordingly, do not express an opinion or any other form of assurance on it.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's assets, liabilities, fund equity, revenues and expenditures. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Although not apparent from the compiled financial statements, the District may be unable to continue as a going concern because the source of substantially all of its revenues, an ad valorem tax levy, is scheduled to expire in 2006, and the District's latest attempt to renew the tax assessment was rejected by the voters at the April 2, 2004 election. Unless a sufficient tax proposition is passed or an alternate source of revenue obtained before 2006, the District will have insufficient revenues to fund its operations in the near future. The accompanying financial statements do not reflect any adjustments that might be necessary should the District be unable to continue as a going concern.

Royce T. Scimemi, CPA, APAC

*Royce T. Scimemi, CPA, APAC*

## **BASIC FINANCIAL STATEMENTS**

**ALLEN PARISH RECREATION DISTRICT NO. 5 OF OBERLIN**  
**Oberlin, Louisiana**

**MAJOR FUND DESCRIPTIONS**

**General Fund**

To account for resources traditionally associated with governments that are not required to be accounted for in another fund.

**Debt Service Fund**

To account for the accumulation of resources for, and the payment of, long-term debt.

**ALLEN PARISH RECREATION DISTRICT NO. 5 OF OBERLIN**  
Oberlin, Louisiana

**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**December 31, 2004**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Totals</u>
<b>ASSETS</b>			
Cash	\$ -	\$ 41,313	\$ 41,313
Receivables			
Ad valorem taxes (net)	-	84,410	84,410
Due from other funds	<u>92,391</u>	<u>-</u>	<u>92,391</u>
<b>TOTAL ASSETS</b>	<u>92,391</u>	<u>125,723</u>	<u>218,114</u>
<b>LIABILITIES</b>			
Accounts payable	332	-	332
Due to other funds	<u>-</u>	<u>92,391</u>	<u>92,391</u>
<b>TOTAL LIABILITIES</b>	<u>332</u>	<u>92,391</u>	<u>92,723</u>
<b>FUND EQUITY</b>			
Fund Balances			
Reserved for debt service	-	33,332	33,332
Unreserved and undesignated	<u>92,059</u>	<u>-</u>	<u>92,059</u>
<b>Total fund balances</b>	<u>92,059</u>	<u>33,332</u>	<u>125,391</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ <u>92,391</u></b>	<b>\$ <u>125,723</u></b>	<b>\$ <u>218,114</u></b>

See accountant's report.

**ALLEN PARISH RECREATION DISTRICT NO. 5 OF OBERLIN**  
**Oberlin, Louisiana**

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES –GOVERNMENTAL FUNDS**  
**Year Ended December 31, 2004**

	General Fund	Debt Service Fund	Totals
<b>REVENUES</b>			
Ad valorem taxes-net	\$ -	\$ 83,594	\$ 83,594
Interest	<u>-</u>	<u>236</u>	<u>236</u>
Total revenues	<u>-</u>	<u>83,830</u>	<u>83,830</u>
<b>EXPENDITURES</b>			
General Government			
Advertising	124	-	124
Contract labor	7,350	-	7,350
Insurance	1,166	-	1,166
Postage	27	-	27
Professional fees	2,430	-	2,430
Repairs and maintenance	1,057	-	1,057
Supplies	2,446	-	2,446
Utilities	3,862	-	3,862
Capital outlay	5,762	-	5,762
Debt Service			
Principal Retirement	-	36,000	36,000
Interest	-	4,988	4,988
Paying Agent Fees	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Total expenditures	<u>24,224</u>	<u>41,988</u>	<u>66,212</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(24,224)	41,842	17,618
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers	<u>42,365</u>	<u>(42,365)</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	18,141	(523)	17,618
<b>FUND BALANCE – BEGINNING</b>	<u>73,918</u>	<u>33,855</u>	<u>107,773</u>
<b>FUND BALANCE – ENDING</b>	\$ <u>92,059</u>	\$ <u>33,332</u>	\$ <u>125,391</u>

See accountant's report.



**REQUIRED SUPPLEMENTAL INFORMATION**

**ALLEN PARISH RECREATION DISTRICT NO. 5 OF OBERLIN**  
**Oberlin, Louisiana**

**General Fund**  
**Budgetary Comparison Schedule**  
**Year Ended December 31, 2004**

	Original/ Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Ad valorem taxes, net	\$ -	\$ -	\$ -
Interest	-	-	-
TOTAL REVENUES	-	-	-
EXPENDITURES			
Current			
Advertising	300	124	176
Bank charges	-	-	-
Contract labor	10,000	7,350	2,650
Insurance	1,500	1,166	334
Postage	-	27	(27)
Professional fees	3,150	2,430	720
Repairs and maintenance	2,500	1,057	1,443
Supplies	500	2,446	(1,946)
Travel	800	-	800
Utilities	3,800	3,862	(62)
Capital outlay	6,000	5,762	238
TOTAL EXPENDITURES	<u>28,550</u>	<u>24,224</u>	<u>4,326</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(28,550)</u>	<u>(24,224)</u>	<u>4,326</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	<u>24,000</u>	<u>42,365</u>	<u>18,365</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(4,550)	18,141	22,691
FUND BALANCE - BEGINNING	<u>73,918</u>	<u>73,918</u>	-
FUND BALANCE - ENDING	<u>\$ 69,368</u>	<u>\$ 92,059</u>	<u>\$ 22,691</u>

See accountant's report

**ALLEN PARISH RECREATION DISTRICT NO. 5 OF OBERLIN**  
**Oberlin, Louisiana**

**SUMMARY OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2004**

1. Summary of Accountant's Results:

- a) Accountant issued a compilation report on the financial statements.
- b) No reportable condition in internal control over financial reporting and its operation was disclosed.
- c) One noncompliance, which is material to the financial statements, was disclosed.

2. Findings Related to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:

a) Current Year:

In 2004 the District purchased supplies totaling \$127.51 from an immediate family member of one of the District's appointed commissioners. Although the amount involved was immaterial to the financial statements, such purchases may be proscribed by the Louisiana Code of Governmental Ethics, particularly La. Revised Statutes 42:1113(B) which prohibits any member of an appointed board member's family to contract or otherwise transact with the District. The purchases were not made directly by the commissioner related to the seller and nothing indicates that the District's board intentionally violated any Louisiana law.

b) Prior Year:

No findings were reported in the prior year.

3. Findings and Questioned Costs for Federal Awards:

N/A

**ALLEN PARISH RECREATION DISTRICT NO. 5**  
**Oberlin, Louisiana**

**CORRECTIVE ACTION PLAN**  
**For the Year Ended December 31, 2004**

I. Current Year Finding:

In 2004 the District purchased supplies totaling \$127.51 from an immediate family member of one of the District's appointed commissioners. Although the amount involved was immaterial to the financial statements, such purchases may be proscribed by the Louisiana Code of Governmental Ethics, particularly La. Revised Statutes 42:1113(B) which prohibits any member of an appointed board member's family to contract or otherwise transact with the District. The purchases were not made directly by the commissioner related to the seller and nothing indicates that the District's board intentionally violated any Louisiana law.

Corrective Action: The board will advise all persons authorized to make purchases on behalf of the District of the names of persons and businesses with which the District cannot transact business. The board will also monitor purchases more closely to ensure that related party transactions are avoided.

II. Prior Year Findings:

No findings were reported in the prior year.

  
\_\_\_\_\_  
Larry Victorian, President

  
\_\_\_\_\_  
Date